

## BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEALS OF BOULDER CREEK DEVELOPMENT COMPANY from the decisions of the Board of Equalization of Valley County for tax year 2007. ) APPEAL NOS. 07-A-2591  
) THRU 07-A-2610 AND  
) 07-A-2744  
) FINAL DECISION  
) AND ORDER

### RESIDENTIAL PROPERTY APPEALS

THESE MATTERS came on for consolidated hearing January 23, 2008, in Cascade, Idaho before Hearing Officer Steven Wallace. Board Members Lyle R. Cobbs, David E. Kinghorn and Linda S. Pike participated in this decision. Owner (Partner) Butch Morrison and witness Real Estate Broker Michelle Basye appeared for Appellant Boulder Creek Development Company. Assessor Karen Campbell, Chief Deputy Assessor Deedee Gossi and County Appraiser Natalie Harvey appeared for Respondent Valley County. These appeals are taken from decisions of the Valley County Board of Equalization (BOE) denying the protests of the valuation for taxing purposes of property described by the parcel numbers on Attachment A.

**The issue on appeal is the market value of unimproved residential lots.**

**The decision of the Valley County Board of Equalization is reversed in part and modified in part.**

### FINDINGS OF FACT

The property under appeal are 21 separate residential lots. The Appeal and Parcel numbers, together, with the parties' value positions are listed in Attachment A.

The lots are located in Boulder Creek Meadows Subdivision. A majority are near one half acre in size. The others are a little less than one (1) acre.

Appellant purchased the property in 1972 as a larger ownership and subdivided it in 1998.

Roads were put in along with underground utilities to all lots. Between 2004 and 2006 Appellant sold 32 lots. These were the highest market years for sale prices. There have been no contracts for sale with prices over \$83,000 since 2006.

In 2006, Appellant received an offer for a bulk purchase of six (6) lots from the same purchaser at \$83,000 per lot. The only other sale in the subdivision was at \$95,000 for a lot with a little less than half an acre.

Ms. Basye testified regarding real estate sales in the area and the condition of the local market. It was reported there was an increase in property values between 2004 and 2006. The peak occurred in 2005, and the market purportedly came to a dead stop in 2006. Sales from 2006 in Boulder Creek Subdivision and a neighboring comparable subdivision Fir Grove Estates were presented. Ms. Bayse claimed Fir Grove sale values would be slightly higher than Boulder Creek because it was more developed and had paved roads.

Fourteen lot sales in both subdivisions were analyzed. The average price per lot was \$83,078. A truncated average indicated \$82,850.

The realtor was asked whether there was a discount taken or given for the bulk lot purchase of the 6 lots. It was opined there was no discount given. At the time of the sales offer in July 2006, the lots were listed for around \$85,000 each. Many lots retained higher asking prices. Appellant had specially reduced the prices of five (5) lots to \$85,000 each to try and get some sales. There were still no offers. When the offer to purchase the six (6) lots was made, Appellant was pleased for any sales activity. Since that time, asking prices have been further reduced to \$75,000 with no offers.

Appellant provided no testimony to explain the differences in values for lots based on size

or other value factors. Though after consideration of the market pace and the previous sales, Appellant estimated the standard lot value would be at \$83,500.

The county presented evidence on Appellant's listed lot prices and the available sale prices for lots within the subdivision. Assessed values were close to most of the list prices as advertised by Appellant. Except for the specially reduced prices, the list prices had remained the same for an extended period. The county also provided information for Boulder Creek lot sales which occurred in 2005 and two sales in 2006 to support the assessed values. The sale prices were \$122,400, \$100,000 and \$95,000 from the oldest to the most recent sale date. The County also presented six (6) sales in Boulder Creek Meadows from earlier in 2005. The prices ranged from \$85,000 to \$135,000.

#### CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

In this case, the realtor testimony that sales volume slowed significantly in 2006 appears undisputed. The testimony in support of Appellant's case also held that the market values of the subject lots had dropped. A rarity of sales made the precise changes as of January 1, 2007 difficult to measure.

Appellant presented evidence of 14 sales that occurred in 2006. The sale information supported the testimony that similar lots in surrounding subdivisions were selling for about \$83,000. The County presented evidence of two sales which occurred in mid-2006. The balance of its sales information was from 2005. One of the County sales was also included in

Appellant's data. In the County evidence there was little distinguishing information provided or stressed on the respective lot characteristics for its sales information. Both parties' sales price evidence indicated a range of value for different lots. The Assessor's modeling placed more value on larger sized lots which appeared reasonable but wasn't well supported in the record. However the assessed values as a group appear higher than the likely price levels as of the assessment and appraisal date. In conclusion the Board holds the best evidence when taken together supports Appellant's contention that the assessed values are too high. Some adjustment is therefore warranted.

It is the final opinion of the Board that subject's assessed values should be adjusted downward. The evidence did not support Appellant's position of a flat value across all the lots. The Board will modify the assessments by making reductions from the County assessed values which reflect differences in value for respective lot sizes. Appendix B reflects the final values determined by the Board in this regard.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the value decisions of the Valley County Board of Equalization concerning the subject lots be, and the same hereby are, modified in part and reversed in part, lowering the assessed values to the figures set forth in Attachment B under the column Board's Final Value.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

**MAILED APRIL 30, 2008**

**Attachment A****Before the Idaho State Board of Tax Appeals****Boulder Creek Development Company Appeals**

	Appeal No.	Parcel No.	Assessed Value	Taxpayer Value
1.	07-A-2591	RP000200000010A	\$150,510	\$83,500
2.	07-A-2592	RP000200000020A	\$138,460	\$83,500
3.	07-A-2593	RP000200000020A	\$128,630	\$83,500
4.	07-A-2594	RP000200000090A	\$118,110	\$83,500
5.	07-A-2595	RP000200000110A	\$112,880	\$83,500
6.	07-A-2596	RP000200000120A	\$105,280	\$83,500
7.	07-A-2597	RP000200000130A	\$95,570	\$83,500
8.	07-A-2598	RP000200000230A	\$90,820	\$83,500
9.	07-A-2599	RP000200000310A	\$108,260	\$83,500
10.	07-A-2600	RP000200000320A	\$110,000	\$83,500
11.	07-A-2601	RP000200000100A	\$140,250	\$83,500
12.	07-A-2602	RP000200000190A	\$92,530	\$83,500
13.	07-A-2603	RP000200000450A	\$91,580	\$83,500
14.	07-A-2604	RP000200000510A	\$101,710	\$83,500
15.	07-A-2605	RP000200000540A	\$98,950	\$83,500
16.	07-A-2606	RP000200000570A	\$96,510	\$83,500
17.	07-A-2607	RP000200000680A	\$92,910	\$83,500
18.	07-A-2608	RP000200000920A	\$100,060	\$83,500
19.	07-A-2609	RP000200000970A	\$92,340	\$83,500
20.	07-A-2610	RP000200000980A	\$100,960	\$83,500
21.	07-A-2644	RP000200000870A	\$87,590	\$83,500

**Attachment B****Before the Idaho State Board of Tax Appeals****Boulder Creek Development Company Appeals**

	Appeal No.	Parcel No.	Assessed	Board's Final Value
1.	07-A-2591	RP000200000010A	\$150,510	\$127,934
2.	07-A-2592	RP000200000020A	\$138,460	\$117,691
3.	07-A-2593	RP000200000060A	\$128,630	\$109,336
4.	07-A-2594	RP000200000090A	\$118,110	\$100,394
5.	07-A-2595	RP000200000110A	\$112,880	\$95,948
6.	07-A-2596	RP000200000120A	\$105,280	\$89,488
7.	07-A-2597	RP000200000130A	\$95,570	\$83,500
8.	07-A-2598	RP000200000230A	\$90,820	\$83,500
9.	07-A-2599	RP000200000310A	\$108,260	\$92,021
10.	07-A-2600	RP000200000320A	\$110,000	\$93,500
11.	07-A-2601	RP000200000100A	\$140,250	\$119,213
12.	07-A-2602	RP000200000190A	\$92,530	\$83,500
13.	07-A-2603	RP000200000450A	\$91,580	\$83,500
14.	07-A-2604	RP000200000510A	\$101,710	\$86,454
15.	07-A-2605	RP000200000540A	\$98,950	\$84,108
16.	07-A-2606	RP000200000570A	\$96,510	\$83,500
17.	07-A-2607	RP000200000680A	\$92,910	\$83,500
18.	07-A-2608	RP000200000920A	\$100,060	\$85,051
19.	07-A-2609	RP000200000970A	\$92,340	\$83,500
20.	07-A-2610	RP000200000980A	\$100,960	\$85,816
21.	07-A-2644	RP000200000870A	\$87,590	\$83,500